



JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

JONATHAN E. FREEDMAN
Chief Deputy Director

313 North Figueroa Street, Room 708
Los Angeles, California 90012
TEL (213) 240-8156 • FAX (213) 481-2739

www.publichealth.lacounty.gov



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October 29, 2009

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

**SUBJECT: NOTIFICATION OF DEPARTMENT OF PUBLIC HEALTH'S USE OF DELEGATED
AUTHORITY TO EXECUTE AN AGREEMENT FOR PUBLIC HEALTH
PREPAREDNESS AND RESPONSE TO PANDEMIC INFLUENZA WITH THE
STATE OF CALIFORNIA DEPARTMENT OF HEALTH SERVICES**

This is to inform you that I am exercising the delegated authority as approved by your Board on July 29, 2008, to select providers, and negotiate and execute new service agreements related to bioterrorism response and public health emergency preparedness funded by the Centers for Disease Control and Prevention (CDC) with the contract maximum obligation not to exceed \$500,000 per service agreement, subject to review and approval by County Counsel and the Chief Executive Office (CEO) and notification of the Board offices.

On April 26, 2009, a public health emergency was declared by the United States Department of Health and Human Services as the result of the detection of 20 known cases of individuals infected by swine origin Influenza A virus, now known as the H1N1 in the United States. Subsequently, the World Health Organization declared the first pandemic in over 40 years in recognition of widespread and sustained human-to-human transmission of the virus in multiple regions around the globe. In light of the threat a pandemic can pose to the nation's public health and security, Congress responded by appropriating funding for the "Public Health and Social Services Emergency Fund" to prepare for and respond to the influenza pandemic. These funds are intended to bolster the nation's preparedness and response capabilities in order to decrease morbidity and mortality rates associated with the influenza pandemic.

Approximately 85% of the H1N1 vaccine to be supplied to Los Angeles County (LA) will go to the private sector for administration to the majority of eligible population through their regular healthcare providers. The CDC is purchasing vaccine from a number of vaccine manufacturers. A federal contractor, McKesson Specialty (McKesson), is responsible for centralized distribution nationwide. The contract between the CDC and McKesson, however, does not cover all possible shipments, but rather only those that meet certain quantity levels. Shipments to the State of California (State) that do not meet the quantity requirements will instead be delivered by General Injectables & Vaccines, Inc. (GIV) through a contract between GIV and the California Department of Public Health (CDPH).

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CDPH has contracted with GIV to deliver a portion of the CDC-provided H1N1 vaccine and ancillary supplies (including syringes, needles, alcohol pads, sharps containers, and vaccination cards) to healthcare providers state-wide. Using the above referenced delegated authority, the Department of Public Health (DPH) will execute a sole source service agreement with the CDPH to reimburse CDPH using CDC provided funds for delivery services provided by GIV to Los Angeles County healthcare providers.

All State private sector requests for vaccine are being submitted directly to the State through the State's website: calpanflu.org. All requests generated in Los Angeles County are routed from the State to the DPH Immunization Program to approve the request and determine the mode of shipment (McKesson or GIV), depending on quantity. DPH then routes the order back to the State for forwarding to CDC. CDC releases the vaccine to McKesson who then, depending on DPH determination, either delivers the vaccine directly to the requesting provider or delivers the vaccine to GIV for distribution.

The total proposed cost for this agreement with CDPH is \$465,702, effective upon execution by the parties through July 30, 2010. Funds are available under CDC Public Health Emergency Response funds NA 1H75TP000350-01 Amendment 3 for Fiscal Year 2009-2010.

County Counsel and the CEO have approved the proposed agreement as to form. Attachment I is the Sole Source Checklist which has been approved and signed by the CEO.

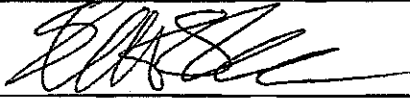
If you have any questions or require additional information, please let me know.

JEF:jr

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

ATTACHMENT A

SOLE SOURCE CHECKLIST

Check (✓)	<p align="center">JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES</p> <p><i>Identify applicable justification and provide documentation for each checked item.</i></p>
✓	➤ Only one bona fide source for the service exists; performance and price competition are not available.
✓	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
✓	➤ Other reason. Please explain: It is most efficient and cost-effective to obtain these services through CDPH's agreement with GIV.
	<div style="display: flex; justify-content: space-between;"> <div data-bbox="402 1360 863 1491">  Deputy Chief Executive Officer, CEO </div> <div data-bbox="971 1360 1242 1491"> 10/21/09 Date </div> </div>